

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING
(PROPOSAL TWELVE)

Docket No. RM2015-5

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO QUESTIONS 1-5 OF CHAIRMAN'S INFORMATION REQUEST NO. 1**
(February 23, 2015)

The United States Postal Service hereby provides its responses to Questions 1-5 of Chairman's Information Request No. 1, issued February 12, 2015. The questions are stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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February 23, 2015

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1. Please confirm that under Proposal Twelve each attributable call type or activity would be considered 100 percent volume variable. If not confirmed, please identify where in 'Prop.12.Call.Cntr.Public.xls' the variability analysis is applied.

RESPONSE:

Confirmed.

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2. Describe in detail the method used by the Postal Service to determine the volume variability. In your response provide the following information for each attributable call type or activity:
- a. Description and documentation for each special study or other quantitative analysis performed.
 - b. If no special study or other quantitative analysis was performed:
 - i. Describe the rationale for concluding that the number of calls received and/or the time spent on attributable calls or activities varies 100 percent with the volume of mail.
 - ii. Describe the rationale for not conducting a special study or other quantitative analysis.

RESPONSE:

- a. None were performed.
- b.
 - i. Prior uses of Call Center Interactive Voice Response (IVR) data in folders USPS-NP26 and USPS-28 have considered the number of calls for certain categories of calls to be 100 percent volume variable. These data have been approved and in use since 2009. Absent data to suggest that each of the attributable call types or activities was not 100 percent volume variable, this variability was used. If data do become available which demonstrates that the variabilities differ from 100 percent, the calculations will be revisited.
 - ii. All conclusions were made based on the data currently available, with the understanding that if more scrutiny were required in the future, appropriate studies and analyses may be performed.

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3. Proposal Twelve states that prior to FY 2014, the call center activities, including researching and responding to customer questions and concerns, were outsourced to a contractor. Petition at 1. Does the Postal Service have a record of the number of calls that were received by the contractor?
- a. If so, please provide the number of calls received each fiscal year for 2006 through 2014.
 - b. If available, provide the data broken out by type of call and minutes per call type.

RESPONSE:

To the extent available, the requested data are provided under seal in USPS-RM2015-5/NP2. However, it should be noted that the information available was supplied directly from the contractor. The Postal Service was not able to independently verify the reliability of such data. Additionally, note that a decline in volume of calls routed to the contractor, Convergys, occurred during FY13 and FY14, as the Customer Care Center duties were transitioned to the Postal Service.

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4. On page 1 of the Petition, the Postal Service states “[Customer Care Clerk] activities are similar in nature to those activities of Claims and Inquiries clerks.”
- a. Please confirm that the portion of Claims and Inquires clerk costs associated with products and services are distributed to mail products and services based on In-Office Cost System (IOCS) tallies. If not confirmed, please explain.
 - b. Please confirm that under Proposal Twelve Customer Care clerk costs are not distributed based on IOCS tallies. If not confirmed, please explain.

RESPONSE:

- a. Confirmed.
- b. Confirmed. IOCS has not and does not sample activity in the customer care centers. Prior to FY 2013, all customer care center activity was handled by a contractor. Thus, use of IOCS to distribute customer care center activity was not appropriate. Given that there is no “handling” of mail involved in the customer care center activities, the existing IOCS questionnaire would not elicit the required product and customer information.

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5. On page 5 of the Petition, the Postal Service states, "Assigning the relevant costs to products is done through reference to a variety of reliable data sources such as RPW, Carrier Cost Systems, and Enterprise Data Warehouse.... All the systems provide data which can be used to find the proportion of products used."
- a. For each data source, please describe the data collected.
 - b. For each attributable call type or activity, please describe the relationship between the call type or activity and the relevant data source.
 - c. For each attributable call type or activity, please describe the method used to determine that the product distribution from the data source reflects the time spent by customer care clerks on that particular call type or activity.
 - d. Does FRANKLIN, or any other source, capture data on the proportion of time spent, by call type, on each product or special service? If not, please discuss what modifications would need to be implemented in order to capture these data?

RESPONSE:

- a.-b. The data collected and relationships are provided below:

The RPW Shape Indicia report, USPS-FY13-NP25, Five Page Stamped tab was used to provide the distribution of calls regarding stamps to the products. Since stamps can be used on a variety of products, the volume proportions which bore a stamp were used to assign stamp call time to products.

The RPW Shape Indicia Report (USPS-FY13-NP25), Five Page Parcels tab was used to provide the distribution of calls regarding Go Post to the products. Go Post is a system designed specifically for the more efficient delivery of parcels. Therefore, the proportion of all items considered to be parcels by product was used to assign Go Post call time to products.

The Carrier Cost Systems Tracking Barcode Distribution Keys from both City and Rural Systems were used to distribute the calls regarding tracking and confirmation and activities considered to be Domestic Research to the products. The activity labeled "Domestic Research" is considered to be time spent by the clerk researching and investigating domestic items with confirmation or a tracking barcode. As such, the distribution keys for these two activities are the volume proportions of products which bear a tracking barcode or confirmation.

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The Enterprise Data Warehouse (EDW) Delivery Success Report was used to distribute the calls regarding attempted deliveries to the products. This report contains information on the volume of products and deliveries where the item received an "Attempted Delivery" scan. All products which receive this scan are included, proportionally to the volume of "Attempted Delivery" scans, in the distribution of products for calls about attempted delivery.

The EDW Service Performance Pieces with Problems report was used to distribute the calls regarding potentially missent items to the products. All products which are shown to have a "Missent" scan code on this report are potentially missent items; as such the volumes from this report were used to create proportions for a distribution key for this call type.

NMATS, PostalOne, and EDW Product Performance Reporting system were used together to pull volume data by product for some products and NSAs. The proportions of product created from the volumes of these specific products or NSAs were used to distribute the "Other Call Type" category of calls.

- c. The distribution to products of each call type is scaled to the proportion of time used by that call type. This is done to ensure that the proportion of products for one particular call type is only representative of the proportion of that inbound call time.
- d. FRANKLIN does not capture such data and no other source is currently known which may capture the proportion of time spent by call type, on each product or special service. A dispositioning system where the clerks were presented with options and allowed to select the nature of the call and the products discussed would be a significant modification which would need to be implemented in order to capture these data.